

STATE OF ILLINOIS)
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 COUNTY OF COOK)

IN THE CIRCUIT COURT OF COOK COUNTY
 COUNTY DEPARTMENT - CRIMINAL DIVISION

FILED

AUG 21 2012

THE PEOPLE OF THE)
 STATE OF ILLINOIS,)
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 "VS"
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 ROY McCAMPBELL,)
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DOROTHY BROWN
 CLERK OF CIRCUIT COURT

PEOPLE'S FACTUAL PROFFER
 IN SUPPORT OF SETTING BOND

NOW COME The People of the State of Illinois, Plaintiff herein, through their attorney ANITA ALVAREZ, State's Attorney of Cook County, by her Assistants, Gregory Ahern and Jack Blakey hereby present their factual proffer in support of setting bond.

I. Introduction:

Section 5/110-5 of the Illinois Code of Civil Procedure sets forth criteria relevant to determining the amount of bail and conditions of release. 725 ILCS 5/110-5. The information used by the Court in its findings with regard to setting the amount of bail may be presented by way of written proffer based upon reliable information offered by the State. 725 ILCS 5/110-5.

The Defendant ROY McCAMPBELL ("defendant") is charged by Grand Jury Indictment with the felony offenses of 720 ILCS 5/16-1 (Theft from Government in excess of \$100,000, Class X felony), (Theft in excess of \$500,000, non-probationable Class 1 felony), (Theft from Government in excess of \$10,000, Class 1 felony), (Theft from Government in excess of \$500, Class 3 felony) and 720 ILCS 5/33-3 (Official Misconduct, Class 3 felony).

II. Defendant:

The Defendant is 57 years of age and currently resides at 4100 Wehrman Ave, Schiller Park, Illinois. Defendant is recently retired from the Village of Bellwood where he served as its' comptroller.

III. The Facts:

Roy McCampbell was hired by the Village of Bellwood at the start of 2001 to be the Village Comptroller and Chief Financial Officer for its' 19,000 citizens. His starting salary was \$70,000. McCampbell, a licensed attorney, was not hired to be the Village Attorney, but took it upon himself to write his own employment contracts. The law firm of Ancel & Glink performed the duties of Village Attorney for the village of Bellwood and wrote all employment contracts annually for all management personnel that required a contract except the defendant's. The defendant's first employment contract that he wrote was in December of 2001 and covered the time period through April of 2005. This 5 year contract was written on an Ancel & Glink contract format from 1999 that the defendant cut and pasted. It set a salary of \$95,000 annually with a 4% increase each year. The contract also provided for a \$5,000 contribution by the Village into defendant's deferred compensation and also provided for a \$10,000 stipend for performing managing duties like a village manager, both with 4% annual increases.

The defendant performed his duties under this contract for the term of the contract and does not write his second employment contract until August of 2005. All other management employees such as Chief of Police or Fire Chief have their contracts written by Ancel & Glink and are for one year terms. The second contract again is on the same 1999 Ancel & Glink contract form with the defendant being the sole author. By now, the defendant has the complete trust of the Mayor of Bellwood and its board of trustees and is able to take full advantage; the defendant has his December 31st, 2009 retirement date as his goal to embellish his salary as high as he can to increase his retirement as much as he can. McCampbell sets his base salary at \$111,000 within the 4% increments, but increases his deferred compensation stipend by 156% to \$15,000 and his management stipend by 28% to \$15,000. The defendant also gives himself 180 sick day credits and 60 days of accrued leave.

The term for this second contract is again 5 years unlike anyone else's and continues to May 1st, 2010.

Unlike the first contract, the defendant does not allow this contract to run its term; he is emboldened to take more advantage of the Mayor and board of trustees and writes his third contract the very next year in June of 2006. Again, the defendant keeps his base salary increase to the 4% which is all anyone is directed to look at, he then, buried in this contract, increases his deferred compensation and management stipends by 168% to \$40,000 each. He also increases his vacation by 33% to 40 days, his personal days are increased by 100% to 8 days, and his sick days are increased by 66% to 25 days and the total accrued leave is recalculated to 95 days which is 20 days too many.

Only one year later, in April of 2007 the defendant writes another employment contract for himself. This contract maintains the 4% increase on the base salary to \$120,000 but again increases the defendant's stipends by 25% to \$50,000 each and increases his vacation days to 48, personal days to 12 and calculates his accrued leave at 130 days, 10 days too many. The defendant had put into his contracts the ability to sell back all these accrued leave days at termination of his employment.

By January of 2008, the defendant, looking for other ways to increase his already exorbitant income, decided to give himself a legal stipend of \$24,000 as "special corporation counsel" as written in the salary ordinance. He then wrote his last employment contract for himself in February of 2008 maintaining his 4% increase on his base salary to \$125,000 but again increased his other stipends by 12% to \$56,000 each. The defendant then re-wrote the provision regarding selling back accrued leave to allow the defendant to sell it back anytime with no limitations. No one employed by the Village of Bellwood could sell back any time and the Village Employment Handbook specifically states no one can sell back time. Coincidentally, the defendant also calculated his accrued time to 255 days, 100 days too many. The defendant then proceeded to sell back to the Village over \$75,000 worth of leave to cover a payment by the Village into a retirement account of the defendants through another employer. The defendant had written this retirement contribution into his last contract to get as much retirement credit as he could. The defendant also increased his legal stipend to \$36,000. The total

income the defendant was calculating totaled \$273,000. A review of what the defendant was actually paid discovered he was paid \$293,000, \$20,000 unlawfully by paying himself \$56,000 for his legal stipend instead of \$36,000.

It should be noted that all other employment contracts of management personal were still being written and reviewed by the law firm of Ancel & Glink with their recommendations being expressed to the Mayor and the Board of Trustees, no one reviewed or ventured an opinion as to McCampbell's contracts but McCampbell who would just chimed in during the same meetings that his contract contained the same 4% increase as the others with no discussion as to any details. Unfortunately, the Mayor and Village Clerk trusted McCampbell and took him on his word and never read the contracts very closely, if at all. They were all stunned when they learned years later what they had signed, McCampbell counted on their blind trust. They had no idea McCampbell was making in excess of \$400,000 in 2008 and 2009 by selling sick and vacation time, and inflating his allotted days and stipend amounts.

But for the changes made to the 2008 contract allowing the selling of sick days, the defendant would not have been able to cash in over \$92,000 and \$63,000 in sick leave during 2008 and 2009 respectively, thereby inflating his annual salary for IMRF pension purposes. McCampbell's W2 show that in 2007 McCampbell was paid \$259,600.28 in total compensation, due to this last contract, McCampbell's compensation ballooned to \$401,704.26 in 2008, approximately a 55% increase. The Village of Bellwood has approximately 19,000 residents.

After McCampbell retired, IMRF pension benefits were reduced by IMRF who would not give McCampbell credit for the vacation and sick leave he sold back and still had on the books due to the inflated nature of the benefit because it was unique to only McCampbell, no other Bellwood Village employee had the same ability or benefit therefore McCampbell did not get credit for it or for unsubstantiated employment at other villages. It is clear McCampbell worked very hard on getting his pension payment as high as he could at everyone else's expense.

With respect to the 2008 contract, McCampbell did not provide the Village Board members' copies of the contract before or during the meeting at which the Board was asked

to adopt an ordinance approving his five year employment agreement. Board members have reported that McCampbell refused to provide them with copies of his contracts and that he refused to state how much money he was making from the Village. In 2008, the Mayor even commissioned a report of all salaries in which McCampbell lied about his and his administrative assistance pay. The defendant as chief financial officer was in charge of payroll and the one who calculated his exact pay. The defendant took steps to make sure no one knew what he was doing, in 2008 when the Mayor of Bellwood asked the defendant's secretary, [REDACTED] to prepare a report of all the salaries of all the village employees. She prepared the report with her actual pay and the actual pay of McCampbell. When McCampbell reviewed the report, he ordered [REDACTED] to change her salary to her base pay without overtime, \$46,000 instead of the \$150,000 she was making due to the exorbitant overtime McCampbell was authorizing. McCampbell also ordered her to change his salary to his base contract amount of \$125,000 instead of the \$401,704.26 he actually received in 2008 with selling back sick days and with his inflated stipends. [REDACTED] stated to the Grand Jury she was relieved when McCampbell asked her to change the report and stated McCampbell explained that the cover up was to protect the Mayor, which did not make sense to [REDACTED].

The defendant in his last year, 2009 until his planned retirement on December 31st, 2009 did not write another contract but let the last one, which went through 2013 stand. He received 4% increases in his base salary to \$130,000, and to his stipends reaching \$58,240 each. The defendant then took another \$36,000 legal stipend for this year before the ordinance was voted in. Then when the ordinance was voted in he had increased the legal stipend to \$66,000 and took it too. The defendant was paid \$36,000 unlawfully.

The defendant worked very hard with his secretary, [REDACTED] and the Village Accountant, [REDACTED] calculating his pay and determining how it was paid out. [REDACTED] and [REDACTED] were the only people who saw the defendant's contracts once they were signed. [REDACTED] would tell McCampbell that his employment contracts were "kick ass" contracts and that she wanted McCampbell to write a contract for her someday. She confirmed that McCampbell wrote all his own contracts and bragged about his ability to get them signed stating "I'll just give them a whole

bunch of papers and it gets them confused and they'll just sign anything" (talking about the Mayor and board of trustees). McCampbell was known to carry a cart full of documents to meetings and just keep talking until he got what he wanted.

Additionally, [REDACTED] explained that McCampbell tasked her and the Village Accountant [REDACTED] to prepare a one page report regarding McCampbell's last year's pay. [REDACTED] was provided all the information by McCampbell as was [REDACTED]. She explained that she wrote "goal achieved" on the computer screen shot of McCampbell's ADP payroll tally dated 12/31/2009 as a message to McCampbell that the gross pay he had calculated of \$472,255.10 had been entered. [REDACTED] and [REDACTED] both testified before the Grand Jury that in the tally for 2009, they were provided all the contracts and ordinances along with what McCampbell provided in his notes. Both [REDACTED] and [REDACTED] stated that there was no provision in the Village Ordinances or McCampbell's contract authorizing the additional \$36,000 legal stipend pay; they just followed McCampbell's orders. McCampbell just told them that he was to be paid an additional legal stipend of \$36,000.00. McCampbell explained to [REDACTED] that "if I am going to have to babysit for [REDACTED] ([REDACTED] the Village Prosecutor), I might as well get paid for it". [REDACTED] and [REDACTED] confirmed that the previous year stipend for Special Corporation Counsel per Ordinance was for \$36,000.00, in which it appears McCampbell paid himself \$56,000, \$20,000 too much. In 2009, that Ordinance changed payment for Special Corporation Counsel to a monthly \$5500 for a total of \$66,000 replacing the previous \$36,000. McCampbell in the last year took both, \$36,000 to much. McCampbell, through his deceit, was authorized to make \$312,965 in his last year but that was not enough, he sold 60 sick and 60 vacation days totaling \$126,211.60 in additional pay plus the \$36,000 he just out right stole to reach \$472,000.

As Chief Financial Officer, the defendant was in charge of payroll and his secretary was the payroll clerk. For a period of several years prior to his departure from the Village, McCampbell specifically approved overtime pay for his administrative assistant, [REDACTED] [REDACTED] [REDACTED] In 2005, [REDACTED] was replaced as the minutes-keeper for the Village Board of Trustees Zoning Board Meetings and lost a \$3000 stipend. McCampbell requested that the Mayor approve McCampbell's use of [REDACTED] for

other capacities to replace the lost stipend. The Mayor agreed that it would be acceptable to do so provided that there was work that needed to be done that she was qualified to perform, limiting it to the amount of the lost stipend.

Shortly before his departure from his employment with the Village, officials for the Village inquired of McCampbell regarding the salary of [REDACTED]. Once McCampbell finally - and reluctantly - provided payroll records for [REDACTED], Village officials learned that McCampbell had specifically approved [REDACTED] to be paid for a significant amount of overtime hours that were not authorized. Indeed, [REDACTED] who performed the duties of an administrative assistant and payroll clerk whose annual compensation should have been in the range of \$35,000 - \$45,000 was making between \$100,000 - \$150,000 per year with McCampbell's full knowledge and participation.

Specifically, for approximately four (4) years, McCampbell added and/or approved an average of 50 hours of overtime pay per week to [REDACTED] pay sheets after the payroll had been processed and at the last step before it was transmitted to the outside payroll vendor. McCampbell was the last step in the checks and balances and knew no one would see the overtime after it was entered into the payroll system by [REDACTED]. [REDACTED] voiced repeated concerns to McCampbell who assured her it would be fine stating "I'll take care of it, don't worry about it". [REDACTED] W2's show that she made \$153,415.32 in 2006, \$165,360.53 in 2007, \$161,769.24 in 2008, and \$134,386.36 in 2009, the Village became aware of this scheme towards the end of the summer of 2009.

When confronted with this information shortly before his involuntary departure from the Village in 2009, McCampbell admitted to Mayor Pasquale and Village Clerk Lena Moreland that he had inflated [REDACTED] overtime in order to improperly increase her pay. [REDACTED] testified before the Grand Jury that every time McCampbell took on a new responsibility he would have her perform the actual work; she knew she should not have been paid in excess of \$150,000.00 a year annually from 2006 -2009 and was very afraid the Mayor and City Clerk were going to find out, but did not know what to do and wanted to keep her job. Ultimately, McCampbell, without authority, authorized over \$400,000 in overtime between 2006 through the end of

2009 for his administrative assistant, [REDACTED] and took steps to hide it and cover the deception up.

One of the other duties performed by McCampbell was that of insurance administrator for the Village. In this role, McCampbell was to ensure that the insurance benefits of the Village were being appropriately applied to its employees and that no abuses took place. Indeed, as a self-insured plan, the costs of benefits are borne by the Village itself. The Village of Bellwood used Mesirow Financial as a broker/liaison with a third-party administration firm called Professional Benefit Administrators, Inc. ("PBA") to process the insurance claims.

However, starting in 2007 and continuing through 2010, McCampbell, as the plan administrator for the Village, forced insurance coverage to pay claims for his wife and children above and beyond what was recommended by Mesirow, PBA, authorized by the Village, or required by law. The benefits received by McCampbell far exceeded that which would be expected from a participant in the Village's insurance plan - or that which the Village would be expected to cover and cost the Village over \$100,000.

In June of 2008 McCampbell pushed through insurance coverage to cover Autism, in which he had children who were diagnosed with Autism, in anticipation of the upcoming law requiring coverage by June of 2009. The Autism Spectrum Disorder Mandate became law on December 12, 2008 and required employers provide \$36,000 of coverage per person, per year. McCampbell used the threat of this law to push through entire year early, \$50,000 of coverage per person, per year. Over the next two (2) years McCampbell received over \$100,000 worth of coverage that no one else in the Village of Bellwood received. PBA and Mesirow identified certain claims submitted by McCampbell as being experimental, investigational and unproven forms of treatment for Autism according to the guidelines set for most major insurers. These claims included horse therapy, prism glasses, nutritional supplements and vitamins, environmental therapy, and home recreational equipment.

Typically, these claims would not be a covered benefit under the Illinois Autism Mandate and were initially denied to McCampbell until he took a meeting with PBA and Mesirow in September of 2008 in which he informed them that he was

the plan administrator and their boss, and that he paid the bills, and he was ordering them to cover these claims along with naprapathy coverage for his wife. Mesirow and PBA then did what McCampbell told them thinking he did speak for the Village of Bellwood. To persuade them, McCampbell had sent to Mesirow a facsimile cover page from what appeared to be an ordinance approved by the Village Board of Trustees that McCampbell argued authorized the disputed coverage and requiring reimbursement to McCampbell. The TPA accepted this as evidence that the Village had expanded its autism benefits to cover the services which had been originally denied on claims submitted by McCampbell for his children. These Amendments increased speech therapy coverage to \$3,500 versus \$1000 to \$2000 as industry norm, Autism coverage of \$50,000 versus \$36,000 required by law, Chiropractic Coverage of \$3,500 versus \$1000, Naprapathy Coverage of \$3,500 versus \$1000 as industry norm. McCampbell also demanded no limits on the number of visits per year versus industry norm that put set limits on office visits per type of treatment.

However, the meeting minutes of the Village of Bellwood of the meeting held on the date of the agenda sent to the TPA do not mention any action to amend the plan. Further, the Board does not recall ever being advised by McCampbell of a proposed amendment. And, obviously, no such ordinance exists as the Board of Trustees never considered authorizing the amendment to the plan and subsequent reimbursement to McCampbell. On the face of the Amendment to the Insurance Coverage McCampbell sent, it states that the rational for the amendment was based on the recommendation of Mesirow, the Village's insurance consultant, which is false. Mesirow Financial did not recommend these plan changes. Mesirow and PBA indicate that since the start of the Autism Spectrum Disorder Mandate Law that went into effect in 2009 continuing to the present, no one covers any of the above mentioned treatments and claims or provides coverage for horse therapy, prism glasses, nutritional supplements and vitamins, environmental therapy, and home recreational equipment. Due to McCampbell's deceit and unauthorized acts, he received over \$100,000 worth of medical coverage at the Village of Bellwood's expense.

It is clear that the defendant set out on a mission to deceive and steal as much money as he could to embellish his pension. He took advantage of misguided trust and breached every fiduciary duty in drafting and manipulating his employment contracts obtaining benefits never openly disclosed or knowing authorized. He took measures to cover up his actions and those of his administrative assistant and ultimately just blatantly stole compensation. He bullied insurance benefits that were never authorized or permitted. McCampbell stole \$20,000 of compensation in 2008, \$36,000 of compensation in 2009, \$100,000 of insurance compensation between 2008-2009, and over \$400,000 for his administrative assistant's loyalty and cooperation between 2006-2009. He admitted to taking advantage of the Village and actively covered up his true pay.

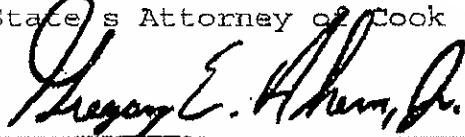
IV. Bond Recommendation:

Section 5/110-5 of the Illinois Code of Civil Procedure sets forth criteria relevant to determining the amount of bail and conditions of release, including the nature and circumstances of the offense. 725 ILCS 5/110-5. In particular, the Court may consider that the above-stated facts clearly demonstrate, among other things, that the offense involved the criminal activities of a corrupt Public Official who took advantage of a trusting Village. Based upon the matters discussed herein, the People of the State of Illinois recommend that this Honorable court fix bail in the amount of \$500,000 "D."

Respectfully submitted

ANITA ALVAREZ
State's Attorney of Cook Co.

By:



GREGORY AHERN
Assistant State's Attorney